GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:1719
ANSWERED ON:29.11.2000
INCREASE IN ADMINISTRATIVE COST
BHAWANA GAWALI (PATIL)

Will the Minister of PLANNING be pleased to state:

(a) whether the Administrative Cost of eight North Eastern States has gone upto an alarminglevel as a result of which developmental activities has come to an halt?

(b) if so, the fact thereof; and

(c) the steps taken to tide-over the crisis by providing special assistance to these States?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN TH MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)
(a) to (c): It is a fact that there has been a considerable rise in the level of administrative cost (non-plan expenditure) in the 8 North-Eastern States. While this has certainly entailed diversion of funds which would otherwise have been available for development, its ill-effects have been mitigated by the following measures taken by the Government:-

(i) 30% of Normal Central Assistance is ear-marked for Special Category States which include N.E. States.

(ii) 90% of Plan assistance is grant and 10% loan as against 30% grant and 70% loan for other States.

(iii) 10% of Plan provision of the Central Ministries/Departments has been ear-marked for development of N.E. States.

(iv) Over and above the State Plan outlays, which have been increasing over the years, funds are also being sanctioned out of the Central Pool created through transfer of unspent balance of the ear-marked outlays of the Central Ministries and Departments meant for development of the N.E. States.

(v) The North Eastern Council is also engaged in the development of infrastructure in the Region.

(vi) Special dispensation has been made in respect of the Accelerated Irrigation Benefit Programme (AIBP) by incorporating minor irrigation projects for the North-Eastern States and allowing 25% of the State`s share, as against 33% for others, in availing of Central Loan Assistance.